

Midlothian Council Preparedness for No Deal EU-Exit

Report by Kevin Anderson Executive Director Place

Report for Information

1 Recommendations

1.1 Council is recommended to:

- i. Note our current position in regard to preparations for the UK leaving the EU at the end of the transition period on 31 December 2020.
- ii. Note and support the continued work of the Brexit Working Group in identifying risks to Midlothian Council and the management and mitigation of these risks to minimise impacts on service delivery.

2 Purpose of Report

- 2.1 The purpose of this report is to highlight to Members the current status position and preparedness of Midlothian Council for a No Deal EU-Exit or “Brexit”, in the lead up to the end of the transition period on 31st December 2020.

Date 8th December 2020

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3 Background

- 3.1 The United Kingdom officially left the European Union on 30th January 2020 and entered a transition period to conclude negotiations. With the option to extend the transition period not pursued by the UK Government, the transition period will end on 31st December 2020.
- 3.2 Should an agreement be reached prior to 31st December, a framework for trade and other relations will be implemented. However, if an agreement is not reached then UK-EU relations will be mainly based on international law, although many areas will have no legal basis for cooperation.
- 3.3 The timetable for leaving the EU is fixed and the transition period will end on 31st December whether a deal is reached or not.
- 3.4 Midlothian Council continues to plan and prepare for the reasonable worst case scenario of a 'no deal' or 'limited deal' Brexit.
- 3.5 Midlothian Council has a statutory obligation to deliver a range of core public services. The Council also provides valuable place leadership and therefore has an important role in supporting its communities and businesses.
- 3.6 There exists a high level of uncertainty surrounding what and how severe the impacts will be.
- 3.6 Arrangements for responding to leaving the EU without a deal must therefore be flexible to allow for the response to be both effective and proportionate.
- 3.7 Midlothian Council's Brexit Working Group reconvened on 10th September, following the Prime Minister's announcement on 7th September regarding the final stages of EU negotiations. The Working Group has since met fortnightly.
- 3.8 The COVID-19 pandemic is currently stretching resource across Midlothian Council, and additional demand on these services from a 'No Deal' Brexit may increase the risk that some services will be limited or unable to be delivered.
- 3.9 The appendix outlines the planning work that the Brexit Working Group has been undertaking and refreshing since 10th September. It is essential that the Council can maintain critical services to our communities.
- 3.10 The Council Management Team continues to monitor the Risk Register and oversee the work of the Brexit Working Group, chaired by the Chief Officer – Place.

4 Report Implications (Resource, Digital and Risk)

4.1 Resource

There are resource implications as services plan and prepare for the end of the transition period. However, this is being met from within existing staffing establishments.

4.2 Digital

None.

4.3 Risk

Failing to appropriately identify and plan for risks will have a detrimental effect on the Council and its reputation.

Background Papers**Appendix A – No Deal EU Exit Risk and Action Plan**